COMMISSIONERS JEFF HATCH-MILLER - Chairman WILLIAM A. MUNDELL MIKE GLEASON KRISTIN K. MAYES GARY PIERCE



ARIZONA CORPORATION COMMISSION

Brian McNeil Executive Director

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January 17, 2007

Chairman Hatch-Miller Commissioner Gleason Commissioner Mayes Commissioner Pierce

Dear Colleagues:

My office has been in contact with the city manager of Willcox, Mike Leighton, regarding the city's concerns with Union Pacific Railroad's plan to lay an additional track through Willcox. I have attached Mr. Leighton's memo describing the situation. The City has concerns about the placement of the new line, as well as the obstruction of traffic caused by trains using the existing track through Willcox. The amount of time where both crossings are blocked raises public safety issues and warrants thorough consideration for at least one grade separated crossing.

I believe it is appropriate that we conduct a public comment meeting in Willcox to hear firsthand from the city and its occupants their concerns about the proposed new rail line and possible solutions to the problems arising from both the new and the existing line. If at all possible I would appreciate it if a representative from Union Pacific could also attend. I think it would be very instructive to hear from the railroad as well as the city. It is my goal that both parties come to a fair, reasonable solution.

Thank you for your attention to this matter.

Sincerely,

William A. Mundell, Commissioner Arizona Corporation Commission

Attachment

CC:

Brian McNeil

Ernest Johnson Brian Lehman

Chris Kempley

Lyn Farmer

Heather Murphy

Willcox Mayor Elwood "Woody" Johnson

Vice-Mayor Phillip Rodriguez

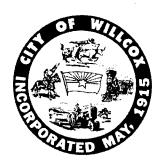
Councilmember Phil Stratton

Councilmember Joseph Long

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Councilmember Jimmy Norris
Councilmember Robert Sherwood
Councilmember Monika Cronberg
Mike Leighton, Willcox City Manager
101 South Railroad Avenue, Suite B
Willcox, AZ 85643
Jim Sims, Superintendent
Union Pacific Railroad
1255 South Campbell
Tucson, AZ 85714
Terry Simms, Attorney for Union Pacific Railroad

Terry Simms, Attorney for Union Pacific Railroad 2111 East Highland, Suite 255 Phoenix, AZ 85016



MEMORANDUM

DECEMBER 15, 2006

TO: Adam Staffor

Adam Stafford, Arizona Corporation Commission

FROM: Mike Leighton, Willcox City Manager

RE: Union Pacific Railroad Issues

Thank you for contacting me about this matter. This correspondence will serve to formalize our telephone discussion of December 14, 2006.

INTRODUCTION/HISTORY

As you are aware, the Union Pacific Railroad (UPRR) is on the verge of a major track expansion through Willcox and thus across Arizona to the west. A new track is to be laid on the west side of the existing through track. Although the track generally proceeds from east to west and vice versa, it actually runs more north to south through Willcox.

We have had several discussions with Mr. Jim Smith, UPRR representative out of Sacramento, California. In the beginning of these discussions, it was our understanding from Mr. Smith that the new track would be located on the east side of the existing through track. The City is in favor of this approach although it would have some impact upon spur and side tracks and would require greater cost to the UPRR in terms of engineering and rearrangement of the auxiliary track. We also heard that there were customers that did not want the track to lie on east side, as well. We have not been able to confirm this.

At the same meeting with Mr. Smith, a discussion ensued about Willcox closing off either one or both of the two at-grade railroad crossings in Willcox. These crossings are only one block apart located on Maley and Stewart Streets. We advised him that we were reticent about closing any crossings since closing would adversely affect auto traffic and emergency services. We told Mr. Smith that we would consider closing the Stewart crossing if a new grade-separated crossing (overpass) could be located at Rex Allen Drive (I-10 exit 340 and Arizona Highway 186) across the tracks. He said that the UPRR might be able to consider five per cent of the cost. Mr. Smith informed us that construction of the track in Willcox would most likely occur in early 2007.

PROBLEMS

Track Location

Some time after the meeting with Mr. Smith, the City was advised by the local UPRR Superintendent that the new track would be laid on the west side of the existing track instead of the west side as had previously been stated. The City's Public Works Director, Ryan Benevides, confirmed this with phone conversations with Mr. Smith.

This location would place a set of tracks and, thusly, fast moving trains uncomfortably close to a downtown park and the City Hall building. The City has experienced derailment in the past.

Noise

When a train passes through town it honks, sometimes excessively, at both of the crossings. The decibel level is extreme. Any conversation being held outside on Railroad Avenue ceases until the train quits honking and sometimes until the whole train passes. It is not conducive to the further development of our historic downtown area. Tourism is becoming one of our economic pillars.

Trains Blocking Crossings

Trains have stalled or stopped fairly frequently where they block both the Stewart and Maley crossings for up to 45 minutes. This blocks all traffic south on Arizona Highway 186. Bill Harmon, area ADOT Director, was witness to one of these blockages. It creates a serious consequence for emergency services needing to cross the tracks and for traffic in general. The local hospital does have a helicopter for emergency transport when needed but costs for its use is exorbitant.

Number of Trains

When discussions first occurred with Mr. Smith we were told that there would be an increase from 50 trains to approximately 70 trains per day through Willcox... Recently, we have been hearing that the trains passing through Willcox may approach 120 per day. Fifty trains per day are quite enough. With this increase, we can expect more noise, destructive vibration, more crossing blockages, more danger of collision/derailment and more general inconvenience.

POSSIBLE AMELIORATION

In the best of worlds, for the City of Willcox, it would be paramount if the UPRR rerouted itself south around the City. This would alleviate all problems alluded to in the last section. However, we must face reality and accept the fact that the route will remain the same and that Willcox will have more trains passing through. Given this the City would propose:

- 1) Place the new track on the east side of the existing track.
- 2) ADOT construct a grade separated crossing (overpass) over UPRR with truck route extension around the south of town on Arizona Highway 185.

- 3) Close at grade crossing at Stewart after separated crossing is completed.
- 4) Have UPRR participate in noise mitigation and crossing costs.
- 5) Work together, in good faith, to solve these problems.
- 6) Any other viable solutions

SUMMARY

Willcox wants to be able to grow and prosper at reasonable, well planned pace. It would like the have the UPRR be some part of that progress in a fair manner. It is important to those in Willcox to have a quality of life they can enjoy and build upon. With the issues listed above that is going to be difficult to achieve. We strongly request any support the Arizona Corporation Commission could give to Willcox in the matter.

I thank you for your attention to this matter and await your response.

Sincerely,

Michael Leighton Willcox City Manager 101 S. Railroad Avenue – Suite B Willcox, AZ 85643

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